

GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

Labour Employment Training & Factories Department. – Insurance Medical Services– M/s.Girijan Co-Operative Corporation Ltd., Visakapatnam - Grant of exemption from E.S.I. coverage under Section 88& 90 of E.S.I. Act, 1948 – Rejected – Orders - Issued.

LABOUR EMPLOYMENT TRAINING & FACTORIES (IMS) DEPARTMENT

G.O.Rt.No. 709

Dated:05.06.2010.

Read the following:-

1. From the V.C. & M.D., Girijan Co-operative Corporation Ltd., Visakhapatnam, Letter Rc. No.1317/2002 LE/A7, dated 10.08.2006.
2. From the DIMS.,Lr.Rc.No.12628/P1/2008, dated: 11.03.2010.

ORDER:

In the reference 1st read above, V.C & M.D., Girijan Co-op Corporation Ltd., Visakapatnam has stated that the demand to comply with the provisions of ESI by the authorities is long pending and GCC was being issued with several notices and out of which certain orders were challenged before Hon'ble High Court, A.P. They were subsequently returned for the reason that there is an alternative remedy in the Act to appeal before the ESI Court. The principal point that the GCC need not fall under the jurisdiction of ESI Act is not yet decided. The GCC which is under the control of Govt. of AP is extending the benefits to its employees substantially similar to the benefits provided under the ESI Act, 1964.

2. The GCC is extending the benefits to its employees substantially similar to the benefits provided under the Employees State Insurance Act, 1964. As such about ½ of GCC employees of which from the cadres of salesmen and MCSs/Attenders will only become eligible for the benefit under ESI Act. It is also need less to mention that the total employees drawing wage of below Rs. 6,500/- were around 200 only out of the 1421 employees presently working. In fact the employee drawing below Rs 6,500/- wage is only one as on date in the GCC, Nellore with which the ESIC, Hyderabad was actively pursing the implement the ESI Act. The GCC deserves exemption from the provisions of ESI Act under Sec. 88 & 90 of ESI Act. As such all the requirements from the end of GCC were complied with the and though many times applications were preferred and consulted ESI authorities the issued was not yet disposed of by the Govt. The V.C & Managing Director, Girijan Co-Op Corporation Ltd. has requested the Government to pas appropriate orders granting exemption to GCC and its all establishments from the purview of ESI Act, 1948 with retrospective effect.

3. In the reference 2nd read above, Director of Insurance Medical Services,AP., Hyderabad has stated that the Exemption Committee in its meeting held on 08.03.2010, the committee unanimously found that the benefits and its scale are neither similar nor superior to the benefits as per the provisions of the Act. The Committee, therefore, unanimously recommended for not to grant exemption.

4. Government, after careful examination of the recommendations of the Standing Committee for Exemptions, hereby reject the request of the M/s.Girijan Co-Operative Corporation Ltd., Visakapatnam for grant of exemption to their employees from the coverage of ESI Act from 1988 under Section 88 and 90 of the ESI Act.

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5. The Director of Insurance Medical Services, AP., Hyderabad is requested to take necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF GOVERNOR OF ANDHRA RADESH)

BHANWAR LAL
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Director of Insurance Medical Services, AP., Hyderabad

Copy to: M/s. Girijan Co-Operative Corporation Ltd., Visakapatnam.

East Point Colony, Visakapatnam – 530 017.

The Regional Director, ESI Corporation, Hill Fort Road, Hyderabad.

Sf/Sc.

// Forwarded by order//

SECTION OFFICER